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Meeting Minutes 09-26-2013

**Arlington Contributory Retirement Board
Meeting Minute for September 26, 2013
At the Town Hall Annex
Second Floor Meeting Room**

Board members present: Chairman John Bilafer, Richard Keshian, Ken Steele, Ruth Lewis and Kenneth Hughes

Guests: Paul Todisco and Michael Trotsky from Pension Reserve Investment Management Board

Call to order Regular Monthly Meeting

Chairman Bilafer called the meeting to order at 4:25 P.M

Presentation by representatives of the Pension Reserve Investment Management Board

Mr. Todisco and Mr. Trotsky discussed with the Board the performance of the PRIT Core Fund over the past year. The PRIT Fund as of August 31, 2013 had a one-year return number of 11.40% gross of fees and a current year to date number of 5.82% gross of fees. Chairman Bilafer asked Mr. Tedisco how many retirement systems were invested in the PRIT Fund. Mr. Tedisco told the Board that 94 out of 105 retirement boards have assets invested in the PRIT Fund and of those 94 boards 56 are fully invested in the PRIT Fund. Mr. Tedisco also told the Board that as of August 31, 2013 the PRIT Fund had total assets of \$53.8 billion dollars in assets. Arlington Retirement System's return numbers since its inception date of July 1, 2008 is 3.09% net of fees. Chairman Bilafer asked Mr. Trotsky what his opinion was regarding the effect on investment returns if the Federal Reserve Chairman decides to do anymore quantitative easing. Mr. Trotsky said that the PRIM staff would continue to monitor those developments and Mr. Trotsky reminded the Board that quantitative easing would only happen if the economy is improving and that also would present investment opportunities. Mr. Hughes added that his opinion from listening to the Federal Reserve Chairman recent speech was that if something was going to happen it was not going to happen until after the first of the year when a new Federal Reserve Chairman takes over. Mr. Trotsky said he reviewed that speech and did not agree with Mr. Hughes opinion that if an action needs to be done that Federal Reserve Chairman would act, but Mr. Trotsky did added that he felt most of the indicators in the economy do point nothing occurring until after the first of the year. Mr. Trotsky then discussed with the Board a new project being worked on at PRIM. Mr. Trotsky told the Board that the name of the project was Project Save. Project save is looking at how PRIM can reduce the costs of the fees associated with the investments to add value enhancement. Mr. Trotsky told the Board that one of main cost savings that is being reviewed was the hiring of internal managers for certain asset classes instead of paying investment manager, consultants and outside advisors. Mr. Trotsky said currently PRIM manages 0% of their assets where PRIM's peers have as many 24% of their assets managed internally and Mr. Trotsky estimates that PRIM could save as much as \$40 million dollars annually in fees with having certain asset classes internally managed. At 5:30 PM Mr. Trotsky and Mr. Tedisco thanked the Board for having them come and updated the Board and left the meeting.

Motion and vote to approve Expense Warrants 24, 25 and 26

After review and discussion, Mr. Steele made a motion to approve expense Warrants 24, 25 and 26 for payment, seconded by Ms. Lewis. The motion was approved by unanimous vote.

Motion and vote on July 2013 Trial Balances

After review and discussion, Mr. Steele made a motion to approve the July 2013 Trial Balances, seconded by Ms. Lewis. The motion was approved by unanimous vote.

Motion and vote to approve August 2013 Minutes

After review and discussion Mr. Steele made a motion to approve the August 2013 Minutes, seconded by Mr. Hughes. The motion was approved by unanimous vote.

Motion to approve new school members

After review and discussion Mr. Hughes made a motion to approve the new school member's applications, seconded by Ms. Lewis. The motion was approved by unanimous vote.

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>
Kara Abrahamson	08/28/2013	9+2%	Teacher Assistant
Lauren Allen	08/28/2013	9+2%	Teacher Assistant
Julie Anderson	08/28/2013	9+2%	Teacher Assistant
Shawn Baker	08/29/2013	9+2%	T.A. Hardy After-School
Gregory Bakopolus	08/29/2013	9+2%	T.A. Thompson After-School
Stephanie Bitton	09/04/2013	9+2%	Teacher Assistant
Mary Castiglione	08/28/2013	9+2%	Teacher Assistant
Barbara DeMore	08/28/2013	9+2%	Brackett School Daycare Aide
Stephanie Dicecca	08/29/2013	9+2%	T.A. Hardy After-School
Nicole Donson	08/29/2013	9+2%	T.A. Thompson After-School
Janet Early	08/28/2013	9+2%	Teacher Assistant
James Ellersick	09/11/2013	9+2%	Teacher Assistant
Jean Foley	08/28/2013	9+2%	Brackett School Daycare
Sarah Gregory	08/28/2013	9+2%	Teacher Assistant
Elizabeth Halley	08/28/2013	9+2%	Teacher Assistant
Drew Haughn	08/29/2013	9+2%	T.A. Thompson After-School
Kristen Homstrand	08/28/2013	9+2%	Teacher Assistant
Amanda Hope	08/29/2013	9+2%	T.A. Thompson After-School
Ryan Howland	08/29/2013	9+2%	T.A. Hardy After-School
Hannah Kaplan	09/03/2013	9+2%	Teacher Assistant
Derek Keenan	08/28/2013	9+2%	Teacher Assistant
Matthew Larrabee	09/06/2013	9+2%	T.A. Thompson After-School
Mary Lawrence	08/29/2013	9+2%	T.A. Thompson After-School
Michele Lynch	08/28/2013	9+2%	Teacher Assistant
Jennifer Manley	08/29/2013	9+2%	T.A. Thompson After-School
Michelle Messuri	08/28/2013	9+2%	Teacher Assistant
Jaclyn Meyer	08/29/2013	9+2%	T.A. Hardy After-School
Patricia Muench	08/29/2013	9+2%	T.A. Thompson After-School
Kimberley Nigro	08/26/2013	9+2%	T.A. Hardy After-School
John Preusch	08/29/2013	9+2%	T.A. Hardy After-School
Jaclyn Rideout	08/28/2013	9+2%	Teacher Assistant
William Rury	09/03/2013	9+2%	T.A. Hardy After-School
Patricia Silva	09/03/2013	9+2%	School Data Assistant
Wendy Sawyer	08/28/2013	9+2%	Teacher Assistant
Jane Scheschareg	08/28/2013	9+2%	Teacher Assistant
Karen Scopetski	08/28/2013	9+2%	Teacher Assistant
Jenifer Sweeney	08/28/2013	9+2%	Teacher Assistant
Kelsey Vail	08/28/2013	9+2%	Teacher Assistant
Katherine Wall	08/28/2013	9+2%	Teacher Assistant
Jillian Zani	08/29/2013	9+2%	T.A. Hardy After-School
Robin Varghese	09/17/2013	9+2%	Teacher Assistant
Ellen VanBenschoten	08/28/2013	9+2%	AHS Daycare Provider
Catherine Weber	08/28/2013	9+2%	Teacher Assistant

Motion to approve new town members

After review and discussion Mr. Hughes made a motion to approve the new town member's applications, seconded by Ms. Lewis. The motion was approved by unanimous vote.

<u>Name</u>	<u>Date of Membership</u>	<u>Percentage</u>	<u>Position</u>	
George Dardonis	09/03/2013	9+2%	Meo II	
Elizabeth Dellanno	09/03/2013	9+2%	Library Bookkeeper	
Jennifer DerMarderosian	09/03/2013	9+2%	AYCC Assistant	Clinical
Amanda Kennedy	08/26/2013	9+2%	Animal Control Officer	Director
Thomas Lucey	09/09/2013	9+2%	Parking Control	
Brandon Metzler	09/09/2013	9+2%	Custodian	Community Safety
Kevin Naughton Jr.	09/03/2013	9+2%	Water Craftsman	

Motion and vote on retirement application for Patricia Egan

After review and discussion, Mr. Steele made a motion to approve the retirement application for Mary Egan, seconded by Mr. Keshian. The motion was approved by unanimous vote

Name	DOB	Creditable Service	Group	Dept/Pos	Vet Status	Retirement Option	Date
Patricia Egan	12-29-1950	28 years 7 months	1	School/Teacher Assistant	N	B	9/4/2013

Motion and vote on a rollover of accumulated deductions for Nancy Flynn-Barwick After review and discussion, Mr. Keshian made a motion to approve the rollover of accumulated deductions in the amount of \$2,407.33 for Ms. Flynn-Barwick, seconded by Mr. Steele. The motion was approved by unanimous vote. Ms. Flynn-Barwick had 9 months of creditable service as an employee of the Arlington Housing Authority.

Motion and vote on a refund of accumulated deductions for Kelley McDade

After review and discussion, Mr. Steele made a motion to approve refund of accumulated deductions the in the amount of \$1,215.36 for Kelley McDade, seconded by Ms. Lewis. The motion was approved by unanimous vote. Ms. McDade had 2 years and 7 months of creditable service as an employee of the Arlington School Department.

Motion and vote on a refund of accumulated deductions for Luis Salas

After review and discussion, Ms. Lewis in the amount made a motion to approve refund of accumulated deductions the in the amount of \$4,490.74 for Mr. Salas, seconded by Mr. Hughes. The motion was approved by unanimous vote. Mr. Salas had 1 years and 7 months of creditable service as an employee of the Arlington School Department.

New Business

Susan Carp

Mr. Greco informed the Board that the Arlington Retirement Office has received conflicting documentation from the Essex Regional Retirement System regarding Ms. Carp's end date with the Essex Retirement System. Mr. Greco reminded the Board that as a result of pension reform members that are working concurrently between two Boards can not transfer their time and the end of their service with one of the Boards. Mr. Greco asked if the Board would allow him to discuss this with the Board's Attorney Tom Gorman and have Mr. Gorman review the information and send a letter to Essex Regional to clarify the issue. After review and discussion of the information presented to the Board by Mr. Greco, Mr. Steele made a motion to have Mr. Greco provided Mr. Gorman with information from Essex Regional Retirement System and Mr. Greco's information for the purpose of having Mr. Gorman send a letter to Essex Regional Retirement System for clarification, seconded by Mr. Keshian. The motion was approved by unanimous vote.

Richard Paolillo

Mr. Greco informed the Board that Mr. Paolillo had passed away, but he was able to go to two of the three medical panels and the third doctor has his information and with do a records review to help determine if Mr. Paolillo was eligible for an ADR.

MACRS Conference

Mr. Greco requested to attend the MACRS Conference in Springfield MA. After review and discussion Mr. Steele made a motion to approve Mr. Greco's travel to Springfield, seconded by Ms. Lewis. The motion was approved by unanimous vote.

Adjourn

At 6:35 PM Mr. Steele made a motion to adjourn, seconded by Mr. Keshian. The motion was approved by unanimous vote.